GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3651
ANSWERED ON:25.08.2006
MARKET SJEIARE OF PUBLIC SECTOR INSURANCE COMPANIES
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Will the Minister of FINANCE be pleased to state:

(a) whether the ratio of market share held by the public sector insurance companies in the field of life insurance is declining as compared to private sector insurance companies; and

(b) if not, the ratio of market share held by public sector and the private insurance companies during the first quarter of the current financial year and financial year 2005-06?

Answer

MINISTRY OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) & (b): As reported by the Insurance Regulatory & Development Authority (IRDA) the ratio of market share held by Life Insurance Corporation of India (LIC) (public sector) has declined since the op~:ning of the Insurance Sector to private insurers. However, LIC has maintained a healthy growth trend during this period as the size of its op~:rations has grown by 19.05% in 2004-05 and 24.17% in 2005-06. The market share of LIC and the private insurers in terms of first year premium during the last three years was as under:

(in percentage)

Insurer	2003-04	2004-05	2005-06
Private	12.33	21.22	25.86
LlC	87.67	78.78	71. 44

Provisional Data